



An Overview of the City of Sunnyvale's

PLANNING AND MANAGEMENT SYSTEM

CITY OF SUNNYVALE

PLANNING AND MANAGEMENT SYSTEM (PAMS)

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INTRODUCTION

Sunnyvale's Planning and Management System reinforces and strengthens the partnership between elected officials, the community and staff that is essential to providing effective local government.

What Sunnyvale calls the “Planning and Management System” (PAMS) is a fully integrated approach to policy setting and service delivery in a results-oriented government environment. PAMS provides the opportunity for Council, citizens and staff to collectively develop and initiate a vision for the City. The system plays a major role in determining where the City is going and how it plans to get there. The focus of PAMS is communication; it ensures that all who have a role in municipal affairs can and will communicate and understand each other.

The Planning and Management System was under development and use in Sunnyvale in the late 1970s. By the early 1980s, all components of this integrated system were in place. Since that time, refinements have continually been made as experience has led to new opportunities for the improvement of its use.

Throughout the evolution of the PAMS, the emphasis has been on:

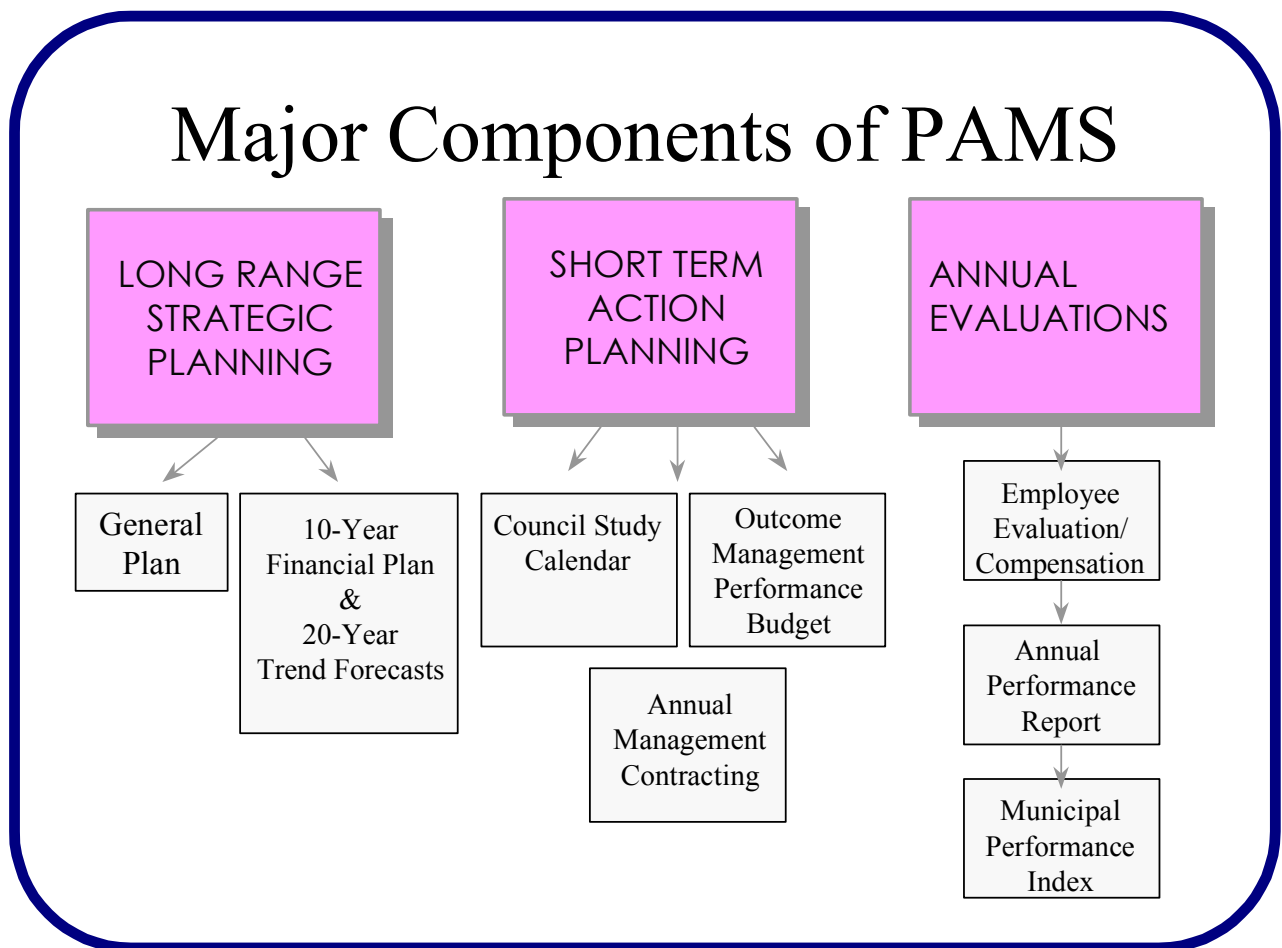
- ✓ making various governmental systems more rational by linking policy setting, budgeting, and execution
- ✓ integrating short-range activities with long-range planning
- ✓ articulating service levels and quality of services provided by government

INTEGRATION OF PAMS COMPONENTS

The three major components of the Sunnyvale Planning and Management System are:

1. Long-range strategic planning
2. Short-term action planning
3. Annual evaluation

Together, they lead to the efficient and effective provision of quality services. In the diagram below, you can see the sub-components of PAMS. The individual components of PAMS are described in more detail on the following pages.



LONG-RANGE STRATEGIC PLANNING

General Plan

As the long-term policy document for the City, the General Plan is both a statement of purpose and a guideline of general direction for moving from existing to desired conditions—what the City would like to become over the next two decades. The General Plan is both a problem statement and an integrated set of goals, policies, and action statements. Sunnyvale's General Plan consists of seven elements, or chapters that are the foundation upon which PAMS rests. The elements of the General Plan are:

- Land Use and Transportation
- Community Development
- Environmental Management
- Public Safety
- Socio-Economics
- Cultural
- Planning and Management

Each element is further broken into sub-elements. For example, Law Enforcement and Fire Services are sub-elements of the Public Safety Element. Each sub-element contains a series of goals, policies and action statements. There are 23 sub-elements, covering every area of municipal services.

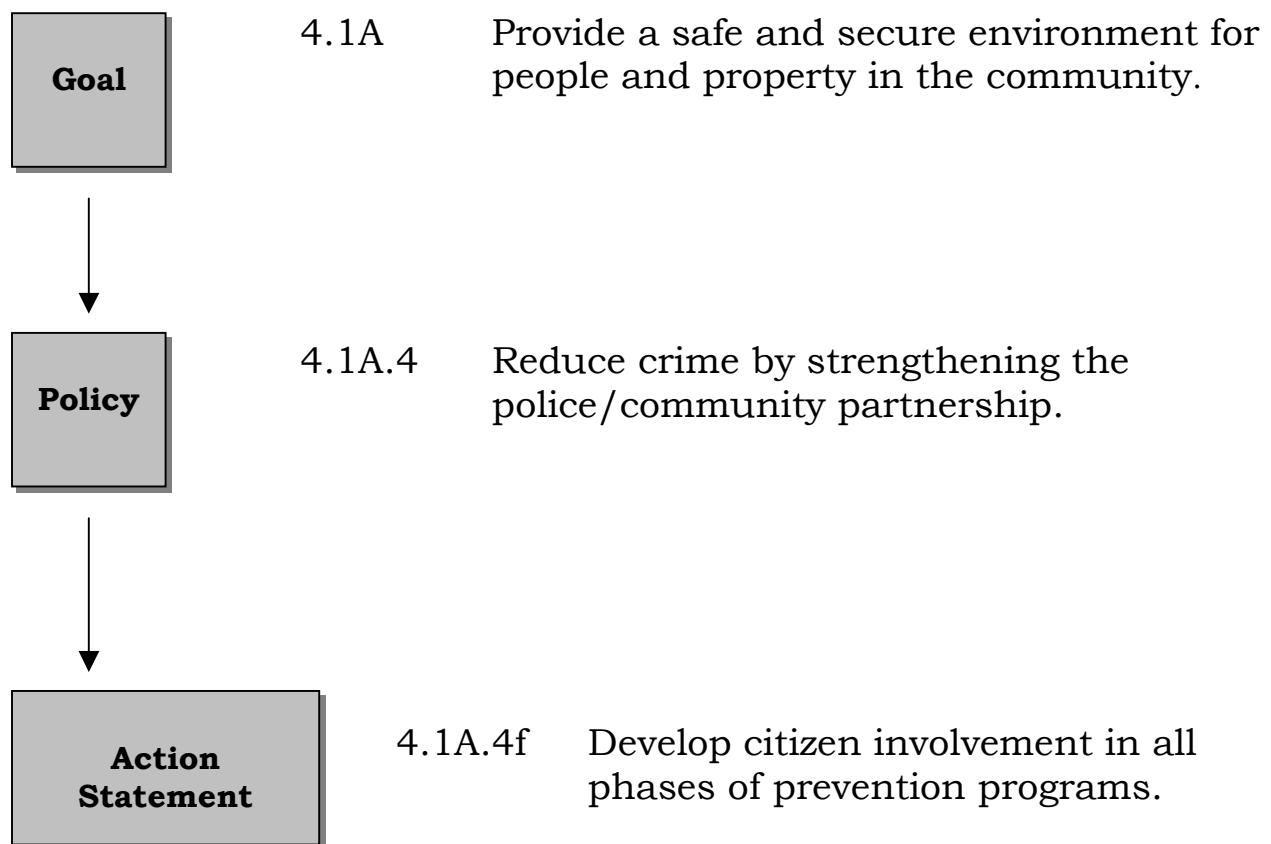
The General Plan is far more than simply setting goals for the future. A vision must be cognizant of the powerful forces of demographics, economic change, and all of the other variables that shape changing needs and wants. In a compelling way, this part of the integrated approach envisions a future and sets forth a path to realize it. Sub-elements of the General Plan present a 20 year outlook, but are generally updated every 5-10 years to ensure they are relevant. One of the fundamental problems of government is it reacts to short-term change rather than understanding what is likely to occur in the long-term future. The General Plan recognizes this and identifies a plan to address that future. Today, in an era of limited resources in all levels of government, few organizations can afford designing programs and services to respond to circumstances of the past or even today. The future can become the present very quickly.

Properly executed, the General Plan's long term goals and policies should be reflected in every aspect of daily municipal operations. It is the purpose of the other parts of the Planning and Management System to ensure this happens. The 'heart' of each sub-element of the General Plan is the section on goals,

policies and action statements. Below is an example from one of the sub-elements. This shows the flow from high-level statement to specific direction for staff.

Element: Public Safety

Sub Element: Law Enforcement



Long-Range Financial Planning

Financial planning is the second component of long-range strategic planning. The City of Sunnyvale has a fully developed 10-year financial plan called the Resource Allocation Plan (RAP). That plan contains all expenditures, including:

- Operating Costs
- Capital Requirements
- Debt

The financial plan also contains fully developed revenue projections. As directed by the Fiscal sub-element, the city manager is required to submit a balanced budget each year based on revenue and cost projections for the tenth year, not the first. Although policy only requires the city manager to submit a 10-year plan, a fully balanced 20-year plan has actually become the accepted practice. This tool is a major reason for the City's strong financial position. Government's ability to cope with financial constraints is predicated on far more than its ability to provide efficient services. American government at all levels - federal, state, and local - have made enormous mistakes in the assumptions they have made about the future. As a result, most government agencies have unknowingly established spending patterns which are not supportable. Multi-year financial planning makes clear the long-term cumulating impact on the organization of a financial decision made today.

For example, elected officials and administrators in Sunnyvale are well attuned to the fact that a \$1 million decision regarding new annual programming is not a \$1 million decision. Rather, it is a \$1 million decision times twenty in a 20-year planning framework plus the cumulative cost of reasonable estimates for future inflation. Therefore, even if the present financial position in one or two-year terms appeared as though the resources were available, the balance sheet often goes negative by the twentieth year. Few elected officials in Sunnyvale have been prepared to make a decision today that either moved the projected financial position of the City to deficit in the long term or presented the dilemma that a new program initiated today would have to be eliminated in the future. It is far easier to deal with demands for services never offered than those provided and then eliminated.

The City's planning approach has been that a long-range strategic plan cannot be successfully implemented if there is inadequate funding. This is the link between the City's General Plan and its long-range financial planning.

SHORT-TERM ACTION PLANNING

The second major component of Sunnyvale's integrated approach is short-term action planning. This component consists of the following three sub-components:

- ✓ The Study Calendar
- ✓ The Outcome Management Performance Budget
- ✓ Annual Management Contracting

The Study Calendar

Part of the short-term action planning is the deliberations of the City Council in establishing priorities for the upcoming year. Throughout the year, Council, staff, and citizens identify critical issues. After board and commission review and public hearings in November, the Council determines the key issues it wants to review in the upcoming calendar year at the December Study Issues Workshop. This process provides a structured approach for addressing the large number of issues that are raised each year. With the exception of emergency issues, Council reviews all issues once a year at the December workshop. This allows the Council to rank the "study issues" and set priorities within the limitations of time and resources.

Council study issues are topics that require a study to be performed by staff. Those study issues given the highest priority by Council are placed on the agenda for action. Study issues can include items such as:

- proposed ordinances
- new programs
- General Plan updates
- policy studies

The Council Study Calendar is also an important linkage in the PAMS long-range/short-range relationship. Each of the General Plan's 23 strategic plans (sub-elements) are reviewed prior to the December Council workshop and Council is apprised of those plans that are outdated. Council may then decide whether it is time to update a particular sub-element.

At its annual December workshop, the Council reviews all the study issues that have been proposed for each department and first determines whether any issues should be added or dropped from the department list. A sample issue paper is Appendix A. Council then ranks the remaining issues (those not dropped) in priority order. Based upon Council's stated priorities, staff determines how many issues can be accomplished and prepares an annual

work plan, called the “Council Study Calendar,” that Council reviews and adopts each January. The calendar lets Council, the community, and staff plan for when a given item will be on the Council agenda for consideration.

The Outcome Management Performance Budget

The second component of short-term action planning is the City's two-year budget. Basic to Sunnyvale's philosophy is the notion that budgeting is the most important policy decision that Council makes. It is at this time that limited resources are apportioned for the services to be provided.

As a result, the two-year budget is a policy document, not an administrative document. It contains no budget line items and is not organized by department. Rather, it is organized by the General Plan Elements and focuses on setting service levels with measurable performance outcomes.

Sunnyvale has done performance budgeting since the late 1970's, but the system has been refined over the years. In 1995, a significant change was initiated to make the system more outcome-oriented.

The use of Outcome Management enhances and extends the City's overarching framework, the Planning and Management System. Outcome Management is the process of identifying the ultimate desired results, planning for how to achieve them, establishing outcome measurements, and evaluating, reporting, and improving performance. The key components of the Outcome Management budget structure are summarized on the next page.

These enhancements of Outcome Management are being incorporated so that the budget will:

- ✓ **Be focused on outcomes**
- ✓ **Provide simple, accessible information**
- ✓ **Be understood and used by all**
- ✓ **Be flexible and responsive to the customer**
- ✓ **Support interdepartmental efforts**
- ✓ **Measure achievement**
- ✓ **Encourage continuous improvement**
- ✓ **Assist with strategic planning and demand management**

An outcome is the ultimate *result* you are trying to achieve through your service delivery. It is the degree of accomplishment and it focuses on the critical end product rather than process or the output.

Key Components of Outcome Management

Outcome Management requires the introduction of new concepts into the Planning and Management System. First among these is the Program Outcome Statement, which provides the focus and direction for all the other components. From the statement of program outcome, program Service Delivery Plans are developed and activities necessary to meet both the Service Delivery Plan outcomes and the core outcome are initiated.

1. Program Outcome Statement

A description of the purpose and final result for which the program is undertaken (from customer's view) as well as broad service areas and critical measures.

Program Outcome Statement

- Council's Service Priority Direction
- Core Measures
 - Quality-Effectiveness
 - Cost Efficiency
 - Budget/Cost Ratio
 - Customer Satisfaction

2. Key Initiatives

Major issues requiring program actions that are outside of current ongoing day-to-day operations.

Service Delivery Plans

- Quality-Effectiveness
- Cost Efficiency
- Allocated Costs

3. Service Delivery Plans

Specific programming of targeted services to meet the program outcomes.

Activities & Sub-Activities

- Efficiency
- Budget Allocation

4. Activities

Incorporates everything that goes into providing a specific service. The lowest level cost center.

5. Sub-Activities (optional)

Sub-sets of activities; optional management tool.

Product

- Efficiency
- Demand Management
- Volume of Activities

6. Products

The end results of activities that support outcome statements and outputs.

7. Allocated Costs

A method for allocating overhead hours and other general expenses.

8. Weights

Council assigns weights to the program (and staff to the SDP) measures to clarify relative priorities.

9. Indices

Standardized numerical values that show program and service delivery performance.

Each budget is based on a Program Outcome Statement (POS). The POS will answer three fundamental questions:

- **Why?** A statement of the ultimate outcome
- **How?** A statement of the broad services necessary to achieve the outcomes
- **How Well?** Measurement of the success in achieving the core outcome

Under Outcome Management, programs will not flow out of functions or divisions, but around services provided for a similar purpose. The General Plan should provide the guiding direction for determining a core outcome in the (POS). Programs will be created around one or more core outcomes and will consist of the services necessary to achieve those outcomes. A program is, essentially nothing more than an organizational tool to help implement the long-term goals of the City. A sample program budget can be found in Appendix B.

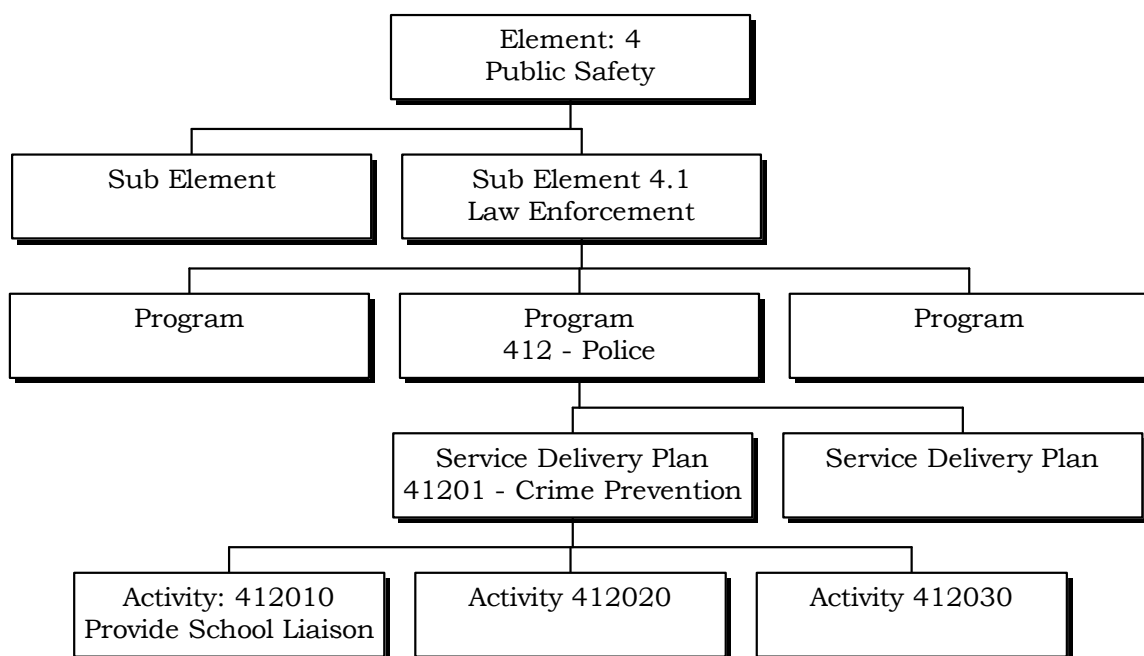
Developing a Program Outcome Statement should be approached with a "clean slate," discarding preconceived notions regarding organizational boundaries or program structure. In fact, it may be found that some outcomes can only be achieved through cross divisional, departmental, and in some cases, jurisdictional efforts. Before finalizing an outcome statement, the mechanics of how to measure the high-level outcomes must be thought through. Once an outcome is identified, the challenge is to find an appropriate and accurate way to measure it.

In the Sunnyvale budgetary approach, elected officials set policy and staff implements that policy. This approach gives Council the ability to focus on the larger issues and community goals, while giving staff considerable flexibility in the day-to-day provision of services, within a highly accountable operating environment.

The differences between a traditional line item budget and the Sunnyvale performance budget are summarized in the following chart.

	Traditional Line-Item Budgeting	Performance Budgeting
Budget Orientation	Money Control	Planning
Council Appropriation Control Level	Department	Program
Basic Budgeting Unit	Line Item (Object Account)	Activity
Efficiency Measurement	None	Product Cost; Products per work hour
Result Measurement (Effectiveness/Quality)	None	Outcome Measures
Budget Period	One Year	Multi-Year

The long-term strategic planning component of the PAMS link directly to the short-term budget component, as diagrammed in the following chart of the PAMS hierarchy:



Annual Management Contracting

The last part of the short-term action planning for the City is the annual development of "contracts" with management-level personnel, called Performance Outcomes Agreements. The key components of these contracts are the detailed service levels emanating from the program for which a given manager is responsible. Assignments stemming from the City Council's annual study calendar are also directed into appropriate personnel's annual plan. Finally, it is this vehicle which is also used for annual staff-level planning of key areas to explore for the continuous improvement of the organization. The management contracting is discussed further in the following section.

EVALUATION

The final component of the Sunnyvale approach is annual evaluation. This step is critical for several reasons. First, without evaluation, the kind of accountabilities outlined earlier carry far less significance. Only if you determine how well you did against what you set out to do will you know whether or not you are on the right track. Second, every organization makes mistakes in their assumptions about what will work. Evaluation allows course correction. Approaches that seem sensible and reasonable often turn out not to be and, as a result, government frequently sets out in a misguided direction that may take years to discover and correct. Third, it is a key way in which effectiveness of continuous improvement initiatives can be judged.

The evaluation process provides the vehicle whereby employees are evaluated against the annual contracts (Performance Outcome Agreement) that were set. The Performance Outcomes Agreement will measure three types of performance: service outcomes, special projects and commitment to excellence. A sample agreement appears in Appendix C. Because the chief component is that of the budgeted service levels, determinations can be made as to whether the level, quality, quantity, and effective service have been met. Thus, the key to judging how well our management personnel have led the organization can be determined through the highly "measurement-oriented" system and the compensation of personnel is based on performance.

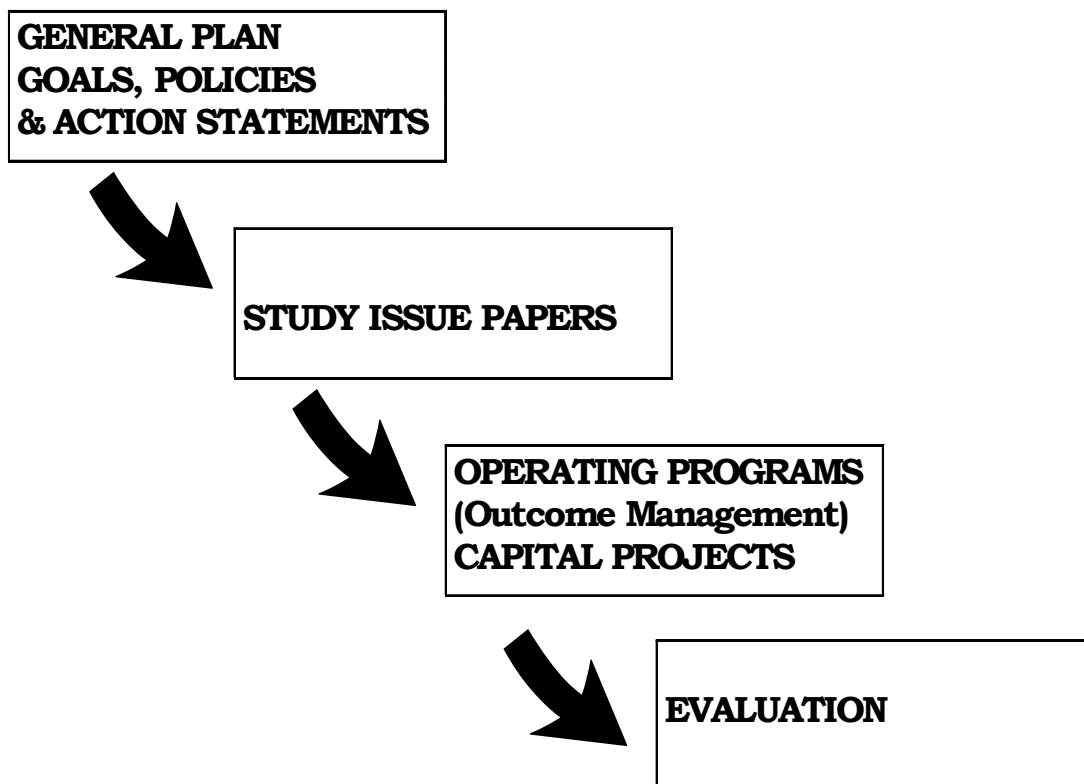
The Performance Outcomes Agreement is the fundamental link between the individual manager and the Planning and Management System. By clarifying the precise role of the manager in fulfilling the city's goals, the Performance Outcomes Agreement is the basis for completion of the manager's Agreement Report and Agreement Evaluation. The year-end Agreement Report is the manager's self-evaluation of established program outcomes and individual responsibilities. It gives managers the opportunity to review performance of their programs, comment on significant achievements, and indicate needed changes in program activity and structure. The Agreement Evaluation is the supervisor's evaluation of the manager's performance and is the basis for establishing compensation.

The Performance Outcome Agreement/Report/Evaluation system directly links a manager's pay through the City's Pay-for-Performance bonus system. An evaluation can result in an annual bonus of as much as ten percent or in an annual reduction in salary of up to five percent. Thus, pay is directly linked with the long-term goals of the City to ensure managers are focused on implementing the policies, priorities and service levels adopted by the City Council.

The detailed results in each program flow upward into a consolidated, citywide performance report provided annually to the City Council, which utilizes it as the key component in annual evaluation of the City Manager. This step makes sure the Council knows their service delivery priorities are being met. From the data accrued, key performance summaries can be developed in such a fashion as to be provided to the citizens in a "Municipal Performance Index" so that they can easily judge how well the City is doing.

Linkages

The following diagram illustrates the flow of the various components of PAMS:



POLICY-BASED/RESULTS ORIENTED MANAGEMENT

There are three central areas to a results-oriented governmental environment:

1. Clearly articulating the purpose for which public funds are appropriated.
2. Enhancing legislative oversight and assuring public funds are expended for the purposes intended.
3. Improving the quality and efficiency of service delivery.

Basic to the concept of the Outcome Management performance budget approach is the articulation of the level and quality of services to be provided for a given sum of money. This should be in clear, understandable, and measurable terms. In this way, elected officials are better able to understand and establish the level and quality of services to be provided and thereby truly set policy in the appropriations process. After service levels are articulated, it is not unusual to find that there is debate regarding the level or quality of services specified, or in fact whether government should even be providing those services. Too often, policy setting at the appropriation level is often done with broad-brush generalities. Through the performance budget approach, generalities must become specifics, and then there must be agreement that the level and quality of service specified is the right level and that the necessary funding to support it makes sense. Because service levels are specified in clear and articulate terms, management clearly understands what is to be achieved and what they are accountable for.

Confusion often exists around “what are we here for”. But in Sunnyvale, staff has a clear understanding of what the organization hopes to accomplish. Frequently, the necessity for substantial improvements in the cost and quality of services becomes evident once the desired outcome is known by all. Once outcomes are clear, an organization can direct its energy and support systems to their accomplishment. It knows what to provide leadership on and can direct the various strategies for use of technology, training, and best practices toward improvement.

Performance budgeting can also result in a clarification of roles. Traditional approaches to governmental budgeting often are criticized for micromanaging, with policy leaders involved in day-to-day administration, establishing numerous prescriptive rules as to how to get the job done. In the case of Sunnyvale, those deterrents to the provision of economic and quality services have been largely done away with. When policy leaders know that they are responsible for the clear articulation of the level and quality of services to be provided and when they receive frequent feedback on what was actually accomplished, they no longer feel the necessity to micromanage. As a result, responsible management and line personnel have greater freedom and flexibility to focus on results. With this approach comes a necessary step to review rules, regulations, and prescriptive steps so as to assure that they exist only to the degree necessary to assure the legal and financial integrity of an

undertaking, not to restrict the creativity of finding better ways to do the job. The benefits are more than simple improvements in economics. The power of articulating results clearly and holding people accountable for results unleashes the talent and commitment that people have when they are clear about what they are to accomplish. Sunnyvale has enjoyed not only tremendous efficiency and productivity improvement, but also tremendous quality improvement and much greater customer orientation and satisfaction as a result of this approach.

Role of Policy Makers

In a typical city context, the role of a councilmember in the budget review process (when a budget is not policy or results oriented but rather line-item oriented) often tends to focus in excruciating detail on issues such as incremental line item budget changes and staffing levels. In such an approach, it is not unusual that considerable information is provided regarding the purpose of a particular activity and workloads being confronted by staff. There is usually little opportunity to focus on what is to be accomplished in a comprehensive sense since that is not a part of the structure of the information base in the budget. As a result, this review process often consumes a substantial amount of time and some would suggest councilmembers micromanage the budget. Worse yet, during times of fiscal constraint, the oversight process may also involve across-the-board requirements for staffing or materials reduction, again without a focus on what the results of such an action would be or what can be achieved with the resources appropriated.

One of the basic tenets of a policy-based, results-oriented system is to develop a review process consistent with the generally understood roles and obligations of the legislative vs. executive branch. When budgeted resources are specified in terms of outcomes and specific measurable services, then policy decision makers can focus on the question of whether those are the appropriate results being sought from a cost and quality perspective, and alter them as desired. In the Sunnyvale version of performance budgeting, line item details are not utilized or considered particularly relevant to councilmembers. What is relevant is the total dollars appropriated to a particular service area, the outcome and the level and quality of services to be expected in that service area—true policy setting. When this approach was initiated in the City of Sunnyvale, councilmembers required an adjustment period to this very different approach. In a short time period, however, they expressed a great deal of preference for a policy-based approach, getting away from micromanaging detail and focusing instead on results and the level and quality of services for a given amount of resources.

Role of Management

With this change came also a change in the responsibilities of management. With specific results contained in the budgetary document, the manager's role

clearly became meeting service standards within the specified cost and quality parameters, as well as continually seeking ways of making each service higher quality and more cost effective. The focus became *management*.

In the case of the City of Sunnyvale, the system has abbreviated the annual budget review process dramatically. Because these service outcomes do not dramatically change from year to year, the focus tends to be on the exceptions where new policy is emerging. At the end of the year, performance reports are provided in each service area through a highly accountable system. This gives significant feedback, which had not previously existed to the policy decision makers regarding what was actually accomplished based on what had been set out in the policy-oriented budget document. This approach significantly alters the executive-level review process of budget. It is structured to encourage and reinforce continuous improvement. As improvement occurs, resource requests presented to the City Council are appropriately modified to reflect the efficiencies which have occurred. It is the City Council that establishes service levels, and management is able to find better and cheaper ways of getting that specified service delivered. During times of constrained resources, these reduced costs help fill the revenue gap. This has been a major ingredient in the City of Sunnyvale's ability to retain the level and quality of services during times of economic downturn.

Transferring Private Sector Trends

Methods and tools utilized to improve quality and cost of service delivery in industry are not only compatible with a performance budget approach but are instrumental in any organization's ability to do more with less. It is important to distinguish the performance budget approach from what we consider the tools of improvement such as reengineering, employee empowerment, best practices review and benchmarking. Performance budgeting is a system or framework linking policy setting, management, and evaluation together. It is a highly accountable system, describing in detail the level and quality of services as well as their cost. In Sunnyvale's case, attached to this approach is the annual employee evaluation process and various incentives that the City has established to reward continuous improvement. While to be sure the tools outlined above can result in substantial improvement even in a non-performance budget environment, the performance managed environment gives a clear focus on what the services are and what should be focused on for improvement. Because performance budgeting requires a focus on the "why's" and "what's," there is greater certainty that various tools of improvement will be focused in the right direction. It is entirely possible to have significant improvement through application of reengineering and never ask the question of whether "what is being reengineered" should even exist to begin with. When utilized to the full extent, one feature of performance budgeting is that substantial time is spent defining customer needs. In doing so, often what is perceived to be their needs, is inaccurate and as a result resources are being directed, whether efficiently or not, well off target.

OVERCOMING DIFFICULTIES OR BARRIERS

A barrier to implementation of something like the Planning and Management System is the concern that the success in one medium-sized city (Sunnyvale) may not be applicable to other levels or sizes of government. In recent years, this concern has faded as the basic principles have been implemented, not only at the local level, but also at state, federal, and international levels. From a theoretical basis, the basic principles should not vary based on organizational size, structure, or nature of services even though execution may clearly differ.

A second substantial barrier exists due to the lack of understanding of what a performance management framework such as Sunnyvale's means to an existing organization. We have learned that not only do systems change, but more importantly, the culture of an organization also changes. When change requires an organization's culture to change, the magnitude of resistance can become enormous. Performance-based budgeting is a highly accountable system, particularly at the management level for those responsible for meeting a particular service standard. Although there are many high quality, thoughtful, and dedicated public managers, the scrutiny in a performance-managed system is so alien to the training and organizational experiences of most governmental managers that they have a great deal of difficulty in adjusting to it.

Third, much of the infrastructure developed in governmental organizations does not, and cannot, support a performance management environment—and in fact serves as a deterrent. Civil service systems, governmental pay systems, prescriptive rules and regulations, training systems, etc., have been developed over a long period of time with multiple purposes. When they are not aligned with one another and in support of a performance approach, they often serve to provide a contradictory and confusing set of signals to employees. In a sense, an organization is often being asked to go in two (or multiple) directions at the same time.

A fourth barrier is that of organizational structure. Most governmental organizational structures are designed on command and control principles around a traditionally defined way of providing services. Performance budgeting and management, however, requires as much authority and flexibility as possible for the direct delivery of services to be pushed to the lowest possible level. Structure is around services and control is around results, not how things get done. This requires a significant change in thinking and behavior by both policy leaders and executive management. Proper alignment of an organization with result areas rather than aligning services to fit existing organizational structures may call for significant organizational change and realignment. Human nature being what it is, resistance can be significant.

This approach, when successful, literally results in an organizational culture change. Such changes do not occur quickly. As a result, performance-based

budgeting and management takes time. It is not a quick fix. Its results evolve over time. It should be viewed as a framework and theoretical construct and requires perseverance at both the political and executive level so that its full capabilities are allowed to grow and emerge rather than any expectation that it will be judged an instantaneous success or failure.

SUMMARY - WHAT SUNNYVALE LEARNED

1. Integrating long-range strategic planning, long-range financial planning, and performance budgeting helps ensure that scarce resources are being used for the right thing. Without such integration, it's very possible to be highly efficient doing the wrong thing.
2. When a city council has the tools it needs to understand the long-term implications, they willingly make different kinds of short-term decisions. Over the years, Sunnyvale's Councils have been more long-term oriented in their decisions than their staff (which is certainly not in concert with what many political scientists say is the way it works).
3. The focus on measurable levels of services to be provided in terms of outcomes, amount, cost, quality and effectiveness marshals resources and energies in a powerful way. Once it's clear to a given team exactly what is to be accomplished, energies are directed by people who already know how to do things better. Further, it is an empowering method in and of itself for continuous improvement. It's not just the linkage to pay. Most people simply want to do the best possible job they can, but the organization needs to be as clear as possible about what is to be accomplished. Line items and budgets don't do that. Job descriptions don't do that. The focus on outcomes does.
4. The various tools that organizations of all type employ to improve quality and cost of service are just that—they are tools. They cannot do what the “integrated framework” does. They are not a panacea. They cannot easily delineate whether a government is even doing the right things. They cannot look to the future. What they can do is to focus on the deliverables which have been set and, with that goal in mind, find ways to improve, reduce costs, and streamline.
5. The book has to be thrown out. This book has three chapters in it. Chapter One is the blithering array of rules and regulations that organizations impose on themselves. More often than not, they are predicated on a lack of trust and on controlling behavior. They minimize risk since a prescribed system is outlined as to how everything must be done. They are an enemy of performance management since they send conflicting and mixed messages to those who deliver services. For example, on the one hand, building permits are to be issued within a specific period of time. If a procedures manual outlines a dizzying array of steps not oriented to customer needs or the service to be accomplished, then attainment of that service becomes difficult to impossible. Just as the entire integrated framework in Sunnyvale is intended to align policy setting, management and service delivery, the rules and regulations must be aligned as well or they will surely serve to confuse at minimum, and provide an impenetrable boundary to improvement at worst.

The second chapter of the book deals with organization structure. It is time that all of the old theories of bureaucracy and organizational structure and proper span of control for management be thrown out the window. Over time, it has become clear that old theories on organizational structure serve as an impediment to improvement. Frequently, the organization's structure by its very nature dictates the level and quality of services provided. To fully empower an organization and to reach into its capabilities to improve cost and quality of service delivery, organizational structures should shape themselves around services and outcomes to be delivered, not the other way around. Structures should do nothing but support that goal and where they do not add value to the specified service, they should be done away with.

The final chapter of the book is organizational culture. While the integrated approach may seem highly mechanical and systems oriented, it is but a framework for action. The basic culture of the Sunnyvale organization has fundamentally changed over the past 20 years. It is a culture where people want to work in a highly accountable environment; where employees at all levels take immense pride in the work they do, where efforts are ceaseless to find new and better ways of doing business. Whether the framework created the culture or the culture the framework or perhaps a little of each, without both, today's and tomorrow's successes wouldn't be possible.

SAMPLE

Appendix A

NUMBER _____

PROPOSED COUNCIL STUDY ISSUE

For Calendar Year: 1999

Continuing ☐

Mandatory ☐

New ☒

Previous Year (below line/defer) ☐

Issue: Municipal Performance / Quality of Life Index

Lead Department: Office of the City Manager

General Plan Element or Sub-Element:

7.2 Community Participation; 7.3 Legislative/Management

1. What are the key elements of the issue? What precipitated it?

A public information index based on the City's performance outcome measures could provide value by providing periodic feedback to the community regarding the municipal performance of the City of Sunnyvale as it affects quality of life measures beyond municipal services. There could also be another component added to get a broader sense of the quality of life in the community. Such an index could become an effective tool for building community awareness of trends and issues, and the City's progress toward achieving long-term goals.

The City continues to make the transition to outcome-based budgeting to focus on longer-term goals and progress. These program outcome measures illustrate broader results that are the sum of many municipal activities and services, reflect the City Council's goals for the community, and shape the City's priorities and resources to achieve them. Approximately half of the City's programs have restructured their budgets and measures to outcome management, and the complete transition is expected over the next two years.

Councilmember Roberts sponsored this item in order to see if there was an easy way to give a picture of the quality of life in Sunnyvale.

2. How does this relate to the General Plan or existing City Policy?

Legislative and Management Subelement: Goal 7.3A Assess community conditions and make appropriate changes to long-range, mid-range, and short-range plans.

Community Participation Subelement: Goal 7.2A Achieve a community in which citizens and businesses are informed about local issues and City programs and services.

Socio-Economic Element: Goal 5.1A Preserve and enhance the physical and social environment and facilitate positive relations and a sense of well-being among all community members, including residents, workers and businesses.

3. Origin of issue:

Councilmember: Roberts
General Plan: _____
Staff: _____

BOARD or COMMISSION

Arts	<input type="checkbox"/>	Library	<input type="checkbox"/>
Bldg. Code of Appeals	<input type="checkbox"/>	Parks & Rec.	<input type="checkbox"/>
CCAB	<input type="checkbox"/>	Personnel	<input type="checkbox"/>
Heritage & Preservation	<input type="checkbox"/>	Planning	<input type="checkbox"/>
Housing & Human Svcs	<input type="checkbox"/>		

Board / Commission Ranking/Comment:

N/A

N/A Board / Commission of
ranked

4. Due date for Continuing and Mandatory issues (if known): TBD

5. Multiple Year Project? Yes ☒ No ☐ Expected Year of Completion TBD

6. Estimated work hours for completion of the study issue.
- | | |
|--|---------|
| (a) Estimated work hours from the lead department | 100-150 |
| (b) Estimated work hours from consultant(s): | _____ |
| (c) Estimated work hours from the City Attorney's Office: | 5 |
| (d) List any other department(s) and number of work hours: | _____ |
| Department(s): Community Development | 50 |
| Total Estimated Hours: | 155-205 |
7. Expected participation involved in the study issue process?
- (a) Does Council need to approve a work plan? Yes ☒ No ☐
- (b) Does this issue require review by a Board/Commission? Yes ☐ No ☒
- If so, which Board/Commission? _____
- (c) Is a Council Study Session anticipated? Yes ☒ No ☐
- (d) What is the public participation process?

Recruitment and selection of a community task force to develop community quality of life indicators. Review of measures would include appropriate community organizations.

The study would include input from the Council and the community, through focus groups or other means, to help determine the appropriate measures. It would require a workplan before proceeding.

8. Estimated Fiscal Impact:

Cost of Study	\$	\$6,000
Capital Budget Costs	\$	N/A
New Annual Operating Costs	\$	5,000 - 15,000
New Revenues or Savings	\$	0
10 Year RAP Total	\$	56,000-156,000

9. Staff Recommendation

- ☐ Recommended for Study
- ☐ Against Study
- ☒ No Recommendation

Explain below staff's recommendation if "for" or "against" study. Department director should also note the relative importance of this study to other major projects that the department is currently working on or that are soon to begin, and the impact on existing services/priorities.

City Manager

Date

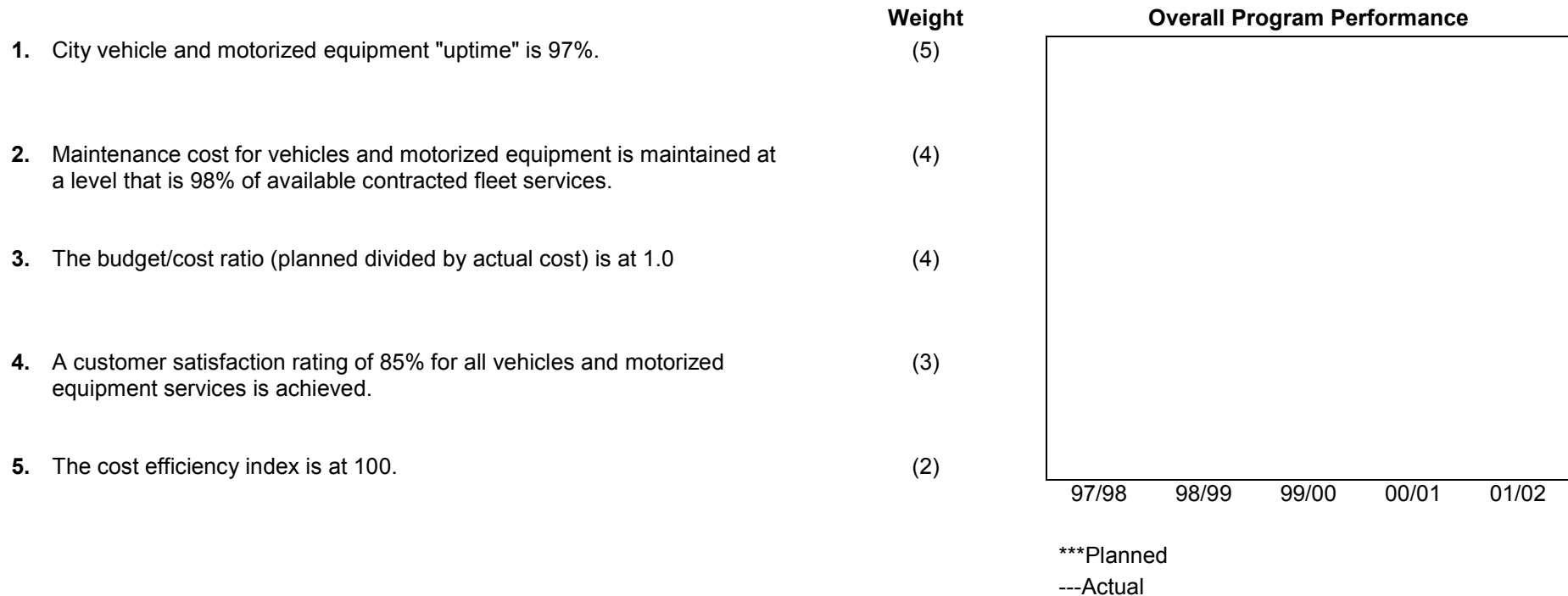
Program 763 Provision of Vehicles & Motorized Equipment

PROGRAM OUTCOME STATEMENT

Support City operations with a safe, functional, and dependable fleet of vehicles and motorized equipment at the lowest possible cost by:

- ☐ Performing preventative maintenance and repairs to minimize operating costs and maximize reliability of City vehicles and motorized equipment.
- ☐ Supplying City operating programs with necessary and appropriate vehicles and motorized equipment.

SO THAT:



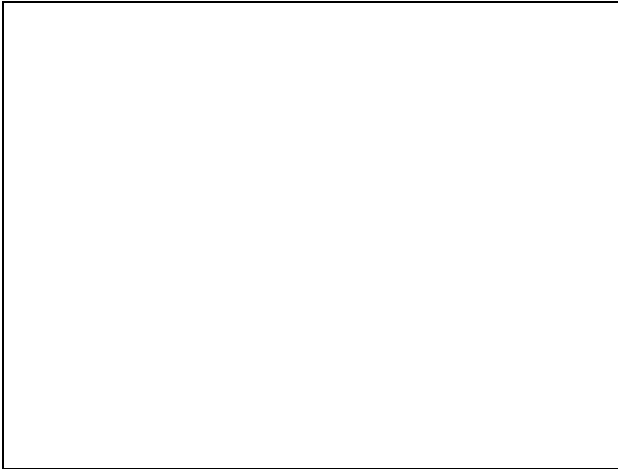
Program 763 - Provision of Vehicles & Motorized Equipment

Service Delivery Plan 76301 - Vehicles & Motorized Equipment Operation and Maintenance

Optimize safety, functionality, and availability of vehicles and motorized equipment to support City operations by:

- ☐ Performing comprehensive, "class specific" preventative maintenance to City vehicles and motorized equipment to reduce incidence of unscheduled repairs.
- ☐ Correcting mechanical deficiencies and completing necessary modifications to City vehicles and motorized equipment.
- ☐ Minimizing fuel consumption by maintaining vehicles and motorized equipment in optimal condition.

SO THAT:

	Weight	Overall Program Performance
1. City vehicle and motorized equipment "uptime" is 97%.	(5)	
2. Maintenance cost for vehicles and motorized equipment is maintained at a level that is 98% of available contracted fleet services.	(4)	
3. Unscheduled repairs shall not exceed 40% of total repairs.	(3)	
4. Percentage of "repeat" repairs shall not exceed 2% within a 3 month period.	(3)	
5. Fuel consumption per vehicle/motorized equipment shall be maintained at previous 3 year average.	(3)	
6. The cost efficiency index is at 100.	(2)	
		99/00 00/01 01/02 02/03 03/04

***Planned

---Actual

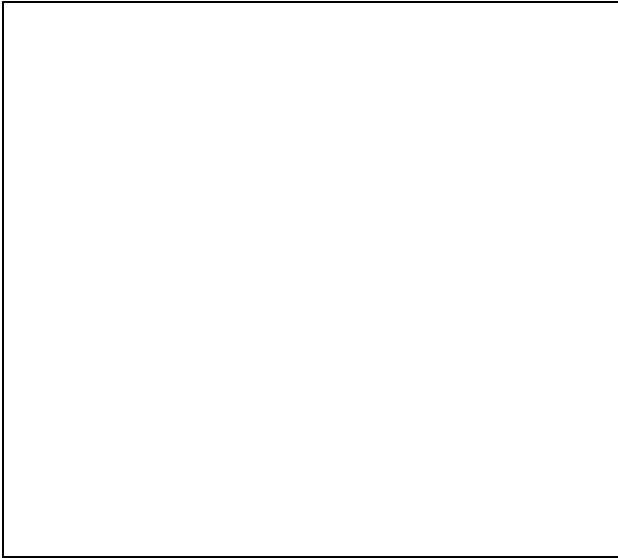
		<u>Costs</u>	<u>No. of Products</u>	<u>Work Hours</u>	<u>Product Cost</u>
Activity 763000 Preventative Maintenance:					
Product - A Service/Inspection Performed	99-00	\$411,903.11	2000.00	6,826.54	\$205.95
Activity 763010 - Repairs:					
Product - A Repair Completed	99-00	\$1,009,793.75	5350.00	14,632.50	\$188.75
Activity 763030 - Provide Consumables:					
Product - A Vehicle or Motorized Equipment	99-00	\$365,145.65	613.00	417.96	\$595.67
Totals for Service Delivery Plan 76301	99-00	<u>Total Costs</u> \$1,786,842.51		<u>Total Work Hours</u> 21,877.00	

Service Delivery Plan 76302 - Vehicles & Motorized Equipment Acquisition and Disposal

Support City operating programs with necessary and appropriate vehicles and motorized equipment and dispose of surplus inventory by:

- ☐ Providing vehicles and motorized equipment to operating programs in a cost effective manner.
- ☐ Acquiring appropriate vehicles and motorized equipment that meet the needs of operating programs.
- ☐ Preparing and placing newly acquired vehicles and motorized equipment into service.
- ☐ Disposing of retired vehicles and motorized equipment in accordance with City standards.

SO THAT:

	Weight	Overall Program Performance
1 Rental cost for vehicles and motorized equipment is maintained at the level that is below 60% below commercial rates.	(4)	
2 100% of vehicles and motorized equipment are reviewed for replacement when the condition rating is below 80.	(3)	
3 100% of vehicles and motorized equipment are reviewed for replacement when the estimated cost to repair exceeds 50% of the remaining market value.	(3)	
4 All newly acquired vehicles and motorized equipment are properly licensed and placed into service within an average of 30 working days after delivery.	(3)	
5 A customer satisfaction rating of 85% for newly acquired vehicles/motorized equipment is achieved.	(3)	
6 Disposal of retired vehicles and motorized equipment shall occur within an average of 10 days after removal from the fleet.	(2)	
7 The cost efficiency index is at 100.	(2)	
		99/00 00/01 01/02 02/03 03/04 ***Planned ---Actual

		Costs	No. of Products	Work Hours	Product Cost
Activity 763200 - Acquire Vehicles/Motorized Equipment:					
Product - A Vehicle/Motorized Equipment Acquired	99-00	\$142,993.89	113.00	2,507.70	\$1,265.43
Activity 763210 - Update Rental/Replacement Rates:					
Product - A Submittal per Finance Schedule	99-00	\$41,321.35	1.00	759.28	\$41,321.35
Activity 763220 - Disposal of Surplus Vehicles/Motorized Equipment:					
Product - A Vehicle/Motorized Equipment Acquired	99-00	\$10,242.87	115.00	202.02	\$89.07
Activity 763230 - Operator Certification:					
Product - A Certification Completed	99-00	\$15,684.93	275.00	325.00	\$57.04
Totals for Service Delivery Plan 76302	99-00	<u>Total Costs</u> \$210,243.04		<u>Total Work Hours</u> 3,794.00	

City of Sunnyvale

PERFORMANCE OUTCOMES REPORT

Name: Rex Parks**Position:** Leisure Services Manager**Department:** Parks and Recreation**Supervisor:** Director - Parks and Recreation**Evaluation Period:** 7/1/98 - 6/30/99

Part I: Service Outcomes			Weighting Standards
Part IA: Service Delivery	Weight Assigned:	40%	min 40% max 75%
Part IB: Service Delivery Improvement Projects	Weight Assigned:	30%	(0% - 35%) Part IB and Part II combined
Part II Special Projects	Weight Assigned:	5%	
Part III Commitment to Excellence	Weight Assigned:	25%	25%

The scoring weights of Parts IA, IB, II and III must total 100%. Sections I and II must have a combined scoring weight of 75%.

 Manager

 Date

Performance Outcomes Report

Part IA: Service Outcomes

Section 1: Phase I - Preparing the Agreement:

- *List the programs for which you are directly responsible. The outcomes, as described in the City's Resource Allocation Plan, are incorporated by reference.*
- *For each item, indicate whether you have full responsibility (F), shared responsibility (S), or lead responsibility in a shared item (S/L).*

Section 2: Phase 2 - Reporting Service Results:

- Record the year-end performance outcome index score for each listed program as calculated and reported by the Finance Department.
- Attach the Finance Department year-end performance outcome report for each program listed.

[illegible]

Performance Outcomes Agreement

Part IA: SDP Service Outcomes

Section 1: Phase I - Preparing the Agreement:

- List the SDPs for which you are directly responsible. The outcomes, as described in the City's resource Allocation Plan, are incorporated by reference.
- For each item, indicate whether you have full responsibility (F), shared responsibility (S), or lead responsibility in a shared item (S/L).

Section 2: Phase 2 - Reporting Service Results:

- Record the year-end performance outcome index score for each Service Delivery Plan as calculated and reported by the Finance Department.
- Attach the Finance Department year-end performance outcome report for each Service Delivery Plan listed.

Section 1: Complete during Phase I: Preparing the Agreement		Section 2: Complete during Phase II: Reporting Service Results
SDP (show number and title)	F S	Index Score
642A - Leisure Services for Older Adults	F	101
642C Leisure Services for Individuals with Disabilities	F	118
642D - Leisure Services for Pre-School Age Children	S/L	85
642E - Development Program for Day Care Providers	S	111
642 G - Leisure Services for Teens	S	92
644B - Aquatics for Non-Dependent Populations	F	83
644C - Sports Services for Non-Dependent Populations	F	99
644C – Sports Services for Non-Dependent Populations		

Performance Outcomes Agreement

Part IA: Service Delivery Reporting

Narrative

It is not necessary to report on all assigned programs or SDP's. Discuss only the most pertinent or significant results and, if applicable, areas which did not meet expected service levels. If applicable, also discuss any special or extenuating circumstances or any other factors which should be considered in evaluating your overall service outcomes performance. Do not simply provide a detailed account of activities over the past year.

OVERALL SUMMARY

Programs: Program 642 exceed expectations and Program 644 met expectations.

SDPs: A total of 7 SDPs were assigned. 1 met, 2 exceeded, and 4 did not meet expectations.

PROGRAM SUMMARIES

Program 642 - Leisure Services for Dependent Populations: Performance Index: 116. At the beginning of the fiscal year I was concerned about our ability to provide this program's services within the budgeted resources and at the expected quality levels. However, even with the demand for our services exceeding expectation, we were able to not only to meet the unexpectedly high demand, but we were also able to reduce the expected cost per participant, resulting in a budget saving \$102,700. The program also exceeded expected quality levels as evidenced by 89% customer satisfaction rating. This program's services have thus far proved very popular with residents. Based on the number of participants and their level of satisfaction with the program, I anticipate that the results we saw in this first year will continue for the foreseeable future.

ASSIGNED SDP SUMMARIES

SDP 642C - Leisure Services for Individuals with Disabilities: Performance Index: 118. An after school program for children with disabilities, "After-School Buddies", was developed at Cherry Chase Elementary school. The program matches volunteer elementary students with disabled children. Community support for therapeutic programs resulted in donations for musical equipment, a number of CDs and class subsidy funds. As the issue of accommodating the needs of those with disabilities continues to be an area of increasing public focus, this program should see increasing community support and its performance should continue at least the same level as this past year.

SDP 642D - Leisure Services for Pre-School Age Children: Performance Index: 85. Targeted levels of participation and program registration rates fell short of first-year estimations. I continue to believe that there is a significant market for this service. We have formed a focus group of parents in an effort to identify any obstacles to program registration. In addition, we are reviewing our marketing plan to determine what can be done to more effectively communicate the availability of this service to our potential customers. I believe these efforts will result in higher registration and participation rates in the next year.

SDP 642E - Development Program for Day Care Providers: Performance Index 58. Participant hours were low because the day care training program was discontinued during the year after it was determined that it did not meet the training needs of its customers. Staff has been working with local day care providers to develop new programs that would better meet their needs and result in a greater degree of cost recovery. In addition, two outcomes, customer satisfaction and revenue-to-operating ratio, were not evaluated as a result of administrative obstacles.

SDP 642G - Leisure Services for Teens: Performance Index: 92. There were further increases in after-school programming for middle school-aged teens with the establishment of several programs at the Columbia School in north Sunnysvale, an area that has been traditionally underserved in teen services. However, participant hours and registration rates did not meet targeted levels. We will need to take another look at strengthening our promotion efforts for this SDP in the next year.

SDP 644B Aquatics for Non-Dependent Populations: Performance Index: 83. Participant hours and registration rates were significantly overestimated for the first-year outcome budget of this service and will need to be revised downward to more realistic levels.

Narrative for Part IA: Service Delivery (continued)

Other Comments

Significant service outcome workload issues this year included:

1. additional mandates to develop, administer and tabulate customer service satisfaction for all Leisure Services activities;
2. implementing a new budget structure with numerous new tasks, activities and revenue accounts;
3. training direct report staff to learn the new budget systems and activities; and
4. developing new procedures to bill the Sunnysvale Elementary School District for Columbia School pool costs.

Although the statistical information for this first year of the new budgeting system gives a good picture of the services provided, the comparison to targeted service levels fell short in several areas. This is because many of the targeted performance levels for this past fiscal year were best guess estimates to establish baseline performance levels in a new and different kind of budget structure. In addition, many of the data collection and recording procedures are also new and undergoing revisions and adjustments. Unless significant modifications are made in targeted performance levels and in data collection and recording procedures, these same factors will again have a significant - and negative - impact on performance in the current fiscal year.

This was a year for staff to become accustomed to a variety of new structural changes and procedures. While several overall targeted levels were not met, individual components of some SDPs saw significant success, particularly in the customer service satisfaction area (when there was data to measure) and the revenue-to-operating expense ratio. During the year, I took a number of specific steps designed to reduce costs, improve services and/or increase revenues including:

- expanded senior trip program and increased contacts and involvement with Senior Center Advisory Committee;
- hired a new full-time coordinator for therapeutic services after a 4-month vacancy, adjusted program emphasis to include a wider population range, developed the first after-school program specifically for children with disabilities, started fitness program for Parkinson's disease, re-wrote senior day care services agreement;
- eliminated existing programming structure for day care providers and began working with a day care providers networking group to develop programming that better met the needs of providers;
- expanded both City and contracted sports camps, eliminated two regular part-time Recreation Services Facilitator positions; and
- restructured programs to meet the planned Columbia Neighborhood Center proto-type service model and held first Teen Recognition Banquet.

These activities all contributed to the department's goal of meeting the leisure-time needs of our customers through cost-effective, customer service-oriented programming.

Performance Outcomes Agreement

Part III: Commitment to Excellence Reporting

This section gives you an opportunity to report your pursuit of Commitment to Excellence during the past year. You may choose to report on how your performance in CTE areas impacted your service delivery or one-time project performance and/or activities undertaken to enhance the standard CTE skills and behaviors. If any areas were identified as needing improvement in Part IV (Supervisor's Comments.), you must address those areas.

Areas Needing Improvement (comment required)

- Timely completion of assignments, delegation of authority and accountability.
- Strengthening my role as coach.

In September 1996 I took a one-day seminar on delegating responsibility. In addition, I also spoke with at least two senior managers outside the department to get their views on when to delegate responsibility and authority. As a result of the course and the meetings, I developed a course of action to seek more opportunities to delegate. I spoke with each of my direct report managers during the year to determine what assignments they were willing and capable of taking on. These discussions led to my assigning more responsibility in four service outcomes areas and for three major projects (all of which I would retain responsibility for last fiscal year) to reporting managers. While my involvement was needed from time to time, nearly all of the critical decisions in both the service outcomes and major projects were made by assigned staff with my support. We met deadlines, if not targeted performance levels in service outcomes. All major projects were completed on time, within budget and with a quality product. I was a pleasant surprise to see the growth in my reporting staff, as well as in myself.

As a result of providing reporting managers with more opportunities to learn and grow, I was able to devote more focused time on services or major projects that required a higher level of experience and authority, such as the Ten-Year Plan for the Senior Center.

While I made substantial progress this year, I will be taking additional training to improve my coaching skills in the upcoming fiscal year.

Other Comments

The development of the 10-year plan for the Senior Center provided an opportunity to enhance my customer service and leadership skills. By listening to and understanding the needs of our customers, I was able to find a satisfactory balance among the needs of our customers, the advice of our consultants, the anticipated available resources and the City's operating priorities.

Implementing the new budget structure required enhanced my outcome management skills. Addressing unanticipated problems associated with the new budget structure required creativity and flexibility. And although some SDPs did not meet their performance indexes, the budget implementation process provided me with numerous opportunities to encourage teamwork among division staff.

Performance Outcomes Agreement

Part IB: Service Delivery Improvement Projects

Preparing the Agreement:

- List all service delivery improvement projects where you are the lead manager responsible for the project's final outcome or which require at least 40 hours of your support.
- For each project, indicate whether you have full responsibility (F), or shared responsibility (S), or shared lead responsibility (S/L).
- All new and continuing Council Study Issues for which you are responsible must either appear in this section or Part II: Special Projects. Please check the "CSI" box for Council Study Items.

Reporting the Results:

- For each project provide a brief summary of results or milestones accomplished. For completed projects, describe the impact the project's results will have on City-wide operations and/or service delivery.

Preparing				Reporting
Project Name	Purpose, anticipated results/outcomes, potential benefits, & completion date.	F S	C S I	Accomplishments/Results
Marketing Plan for Sunken Gardens.	Develop a marketing plan to improve Sunken Garden's operating to cost ratio. Expected completion date: March 1999.	S		Completed March 1, 1999. Sunken Garden operations are expected to meet 100% self-sufficiency within 2 years. An annual reduction in general fund support of \$110,000 is targeted.
Cupertino Score Booth	To construct a new score booth at Cupertino Jr. High for the purpose of enhancing adult softball and youth baseball programs offered at the facility. Expected completion date: June 1999	F		Construction 90% complete. Construction delayed by two months for significant modifications. Construction expected to be completed in July 1999. Project will be completed within budget.
Fair Oaks Scoreboard	To construct a new scoreboard at Fair Oaks Park for the purpose of enhancing adult softball and youth baseball programs offered at the facility. Expected completion date: April 1999	F		Construction completed in April 1999. Project completed on time and within budget
Feasibility of Constructing Shower/Locker Facility at Sunnyvale Middle	RTC on the feasibility of constructing new showers at Sunnyvale Middle School for the purpose of expanding the aquatics and improving the	F	X	RTC completed May 20, 1999. Council concurred with staff recommendation that construction of shower facilities is feasible. Project now in construction planning stages.

Performance Outcomes Agreement

Part II: Special Projects

Preparing the Agreement:

- List all special projects where you are the lead manager responsible for the project's final outcome or which require at least 40 hours of your support.
- For each project, indicate whether you have full responsibility (F) or shared responsibility (S) or shared lead responsibility (S/L).
- All new and continuing Council Study Items for which you are responsible must either appear in this section or Part I: Service Delivery Improvement Projects. Please check the "CSI" box for Council Study Items..

Reporting the Results:

- For each special project provide a brief summary of results or milestones accomplished. For completed projects, describe the impact the project's results will have on City-wide operations and/or service delivery.

Preparing				Reporting
Project Name	Purpose, anticipated results/outcomes, potential benefits, & completion date.	F S	C S I	Accomplishments/Results
Ten-year Senior Leisure Services Plan	Develop a long-term plan to enhance/expand future senior leisure services and to increase the financial stability and Independence of senior leisure services operation. Expected completion date: May 1999	S/L	X	RTC completed in May 1999. Council concurred with staff 's future service strategies which are expected to increase the financial stability and independence of leisure services operation within 5 years. Implementation plan developed and approved in June 1999. Implementation to begin August 1999.
Implementation of New Processes and Systems	Develop and implement a division training plan to successfully implement the new management evaluation process and the conversion of division computer and telephone systems. Expected completion date: June 1999.	F		All training completed by May 1999. Division training plan for conversion of computer and telephone systems developed in August 1998. Training completed October 1998. Division training plan for new evaluation process developed March 1999. Training completed May 1999.
Development of Emergency Preparedness Procedures and Staff Training for Department for Community Center and Senior Center (added Nov. 1998)	To develop and implement emergency preparedness procedures for areas of responsibility for the purpose of reducing/preventing injury or death to participant and staff and meeting state legal requirements. Expected completion date: June 1999	F		E-prep procedures developed and staff training was completed June 1999. State legal requirements have been met and annual training will occur. Increased awareness and accountability and annual retraining is expected to reduce/prevent participant injury or deaths.

Part II: Special Projects Reporting

Narrative

It is not necessary to report on all assigned projects. Discuss the most pertinent or significant results and if applicable, areas which did not meet expected outcomes. Also, discuss special or extenuating circumstances, or other factors which should be considered in evaluating your overall major project performance (If applicable). Do not provide lengthy detail of activities over the past year.

Project Summary:

Three special projects were assigned and completed during the year.

Planned Projects:

Ten-Year Senior Center Plan: During the year, the Senior Center lease was renewed for ten years. The City now plans to renovate the facility in beginning in FY 98/99. As a result, after appropriate input and consultation, staff developed a ten-year plan to improve and expand the services offered at the Senior Center as well as facility improvements. The ten-year plan, with periodic reviews, will guide the development of the Senior Center in anticipation of a greater demand for senior services as the first of the baby boomer generation enters their retirement years.

The ten-year plan for the Senior Center required over 31 meetings with current customers, potential customers, consultants and other municipal leisure services providers over a four-month period. Some meetings were with each of these groups individually. Others were joint meetings containing customers and consultants and staff. There were significant differences among customers about what services would be needed over the next ten years. There was a need to establish a balance between conflicting expectations of current and future customers, what services they were willing to pay for (or not) and what the City could reasonably be expected to provide. The balances were found and staff was able to gain the support of current and future customers as well as top City management.

Implementation of New Evaluation Processes and Computer/Telephone Systems: Training plans for the conversion to the new computer and telephone systems were developed in August 1998 and completed in October 1997. During the conversion and training processes, there no interruption of customer service (and no customer complaints) even though, at times, the computer and telephones were not at full operational capacity. Training for the new management evaluation process was completed in May. All management staff received least three hours of instruction and additional training assistance is available, if needed. Staff will have the opportunity to apply the training in preparing evaluating audits for subordinate staff in August 1998.

Unplanned Projects:

Emergency preparedness training for Senior and Community Center staffs:

The E-prep training meets the State legal requirements. The plan developed concentrated on increasing the awareness and accountability for all employees. Training was completed one month ahead of schedule. The training was immediately useful in a customer emergency shortly after the training had been completed.

Performance Outcomes Agreement

Part IB: Service Delivery Improvement Project Reporting

Narrative

It is not necessary to report on all assigned projects. Discuss the most pertinent or significant results and if applicable, areas which did not meet expected outcomes. Also, discuss special or extenuating circumstances, or other factors which should be considered in evaluating your overall service delivery improvement project performance (If applicable). Do not provide lengthy detail of activities over the past year.

Summary of Projects:

Of the 4 planned projects assigned, 3 were completed and one was delayed. There were no unplanned service delivery improvement projects.

Planned Projects:

Development of a Marketing Plan for Sunken Gardens: The Marketing Team responsible for this item saw two major accomplishments:

- The marketing plan for the Sunken Gardens golf course began March 1. The program consists of a more flexible reservation system, aesthetic enhancements to the course and auxiliary grounds, improved food services, and increased promotional efforts. These efforts contributed to a 5% increase in the customer registration rate and an 8% favorable increase in the revenues-to-operating cost ratio in the last quarter of the fiscal year. More people are using Sunken Gardens and spending more money in using services.
- An approach designed to make the food services operation at Sunken Gardens less dependent on City support was implemented in February. By June both the restaurant and the catering service had increased their cost recovery from 81% to 93%. Both operations are expected to reached 100% self-sufficiency by the September 1999.

Both these accomplishments are projected to reduce the City's general fund support to Leisure Services by another \$110,000 a year.

Other projects included:

- construction of a score booth at Cupertino Jr. High; and
- construction of a new scoreboard at Fair Oaks Park.

The scoreboard at Fair Oaks was completed on time and within budget. The presence of the scoreboard will attract new program participants. The score booth at Cupertino Jr. High was delayed by two months as a result of design modifications and unavoidable administrative problems with the contractor. However, construction is nearly completed and will come in at or under budget, despite significant design modifications. Completion of the score booth will enhance the attractiveness of the youth and adult softball programs offered at the facility.